



# A Short Guide to Choosing, Costing & Implementing a Client Management System (CMS)

## 1 How to Use This Document

This document provides guidance to those NGO's contemplating acquisition of a new CMS as part of their participation in the BSDP/HSNet initiative. It provides a 'how-to' for choosing, costing, and planning for a particular solution *before* making a commitment to a new system.

Sections 1 & 2      These sections comprise a guide to the rest of the document plus the Index.

Section 3      Buying a CMS is not a trivial exercise. There are risks that must be recognised and managed. Section 3: "So, You Are Thinking of Buying a CMS " highlights some of the issues to consider.

Section 4      Many vendors of CMS packages offer similar functions; yet deliver that functionality in different ways. Your task is to get "under the bonnet" of sales descriptions and evaluate in *sufficient detail* which of the CMS' on offer most closely meet your needs.

Section 4: "What are CMS's?" both defines the common functions of CMS's and illustrates the factors you will need to consider with respect to one major criteria: client privacy.

Sections 5 through 9 provide a straightforward approach to evaluation of a particular CMS you may be considering.

Section 5      'Your needs, as opposed to what's on offer'. What you *need* is more important than what any particular CMS provides.

Section 5 suggests a way to think about those needs independently of any one solution.

Section 10 is a companion to Section 5, located near the end of the document. It reflects the needs discussion in the form of a template you can use to record both your needs and your evaluation of a particular CMS against those needs. *This template can become your primary evaluation tool, when used in conjunction with this document.*

Section 6 Choosing the Right Vendor: The vendor from whom you choose to buy your CMS may be an on-going partner to you. Section 6 provides a few questions you might like to ask before forming a long-term relationship

Section 7 Installation: Once you've made your decision to acquire a new CMS you will then have to install the new software and procedures. This is the riskiest part of the exercise.

Section 7 discusses Process Mapping & Redesign (7.1), possible changes to your computer and communications hardware (7.2), Training (7.3), Conversion of your old systems and paper files to the new (7.4), and on-going Operation (7.5).

You will need a way to evaluate the impact a prospective CMS will have on your existing office procedures. A suggested approach is contained within Section 7.1.

Section 8 Completion: Your view of installation completion will be very different than the vendor's view. There are risks to success that you alone will bear. This Section highlights those risks for you. If you follow the guides provided in this document, you will be on your way to successfully managing those risks.

Section 9 Costs: There are potentially many more items of cost than simple licensing of a CMS. Section 9 lists most of them.

Section 11 is a companion template to Section 9 that suggests a way to calculate various costs of ownership for a CMS under consideration: Year 1, Subsequent Year, and 3- and 5-year totals.

While the material here may provide guidance, it cannot cater for every real-world situation.

The final decisions are yours.

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### 3 So, you are thinking of buying a CMS?

New Systems are risky business. The likelihood is that you will have some 'challenging' experiences as you shift to a new system: work patterns disrupted, and confusion taking hold.

Choose wisely. PLAN

Each CMS you consider will do things in different ways, with different costs and cost structures. Putting yourself and your prospective vendors through a formal or semi-formal selection process, like the one detailed in this document, will improve your chances of a successful outcome.

There are risks you should consider.

Some of the ways a particular CMS works might:

- ✿ Not satisfy your policies regarding confidentiality of client data.
  - ✿ Are client files held on your premises, or at a remote location?
  - ✿ What are the ACCESS rules for data held at a remote location?
- ✿ Impose burdensome administrative overheads because of a poor fit with your existing office procedures or reporting regimes.
  - ✿ Some CMS' may integrate easily into your office procedures; others may not.
  - ✿ Work disruptions or re-work caused by a poor choice of CMS can be a heavy price to pay for a "quick and dirty" solution.
- ✿ Require additional expense beyond the CMS itself.
  - ✿ Some CMS' may seem less expensive, but when the actual total cost of ownership over 3 or 5 years is calculated, they may prove to be more expensive than other options.
  - ✿ Some CMS' may require additional privacy software or network equipment or computers or communications lines

By using this guide, you should be able to answer most of the critical questions. You should plan to take this document as a starting point and tailor the material to your own situation.

### 4 What are CMS's?

Here is a useful description of the general functionality provided by most CMS's:

“A CMS is an electronic system, which holds details of clients for reference and to aid in case-management. Most NGOs providing human services have a system in place to hold information about clients and services. Such a system may be a manual file, a simple Word or Excel PC application or a fully computerised PC or web application with wide functionality – a CMS. A CMS can help when clients make repeat visits or use multiple services or are referred to other services. These systems improve an organisation’s ability to schedule client activities, provide reports and generate statistics, which assist with service planning, enabling more appropriate, targeted service delivery. They include strong privacy and security features.

When client data is held electronically, it may also be possible to exchange/share the data with ServiceLink, particularly with ReferralLink, the e-Referral component.”

Now, here’s an example of a description of one CMS option (purely for illustration) from the list of the NSW Government’s Preferred Suppliers. This description was provided by the vendor and is an example of what you might initially encounter:

“(This CMS) provides:

- ✿ A case planning process in line with the client’s goals, across the agency or, through referral, across several agencies;
- ✿ A holistic assessment process with tools for service delivery coordination and case management;
- ✿ Automatic data capturing at each point of engagement with your client (thus eliminating the time consuming hard copy data collection and reporting work;
- ✿ A secure environment for capturing client details, case notes, assessments and evaluations through a simple and helpful browser interface;
- ✿ A worker’s diary and reflective journal;
- ✿ Data storage on a remote, managed database, protected by industrial strength security and back-up systems;
- ✿ Help-desk support and information”

Remember: Many vendors offer similar functions, but will deliver that functionality in different ways. Your task is to get “underneath the bonnet” of sales descriptions and evaluate in *sufficient detail* which of the CMS’ on offer most closely meet your needs.

Note the example above offers REMOTE data storage, which means they hold your files at their or another location. Who can access data at that remote location, or from other locations via the Internet, must meet your security requirements, and so you should closely question their access safeguards.

Other vendors may offer to locate files within your offices on a largish PC called a server, leaving you responsible for data security, but that solution might require you to purchase one or more additional computers or communications lines/equipment.

It is only by *engaging* with a vendor and her CMS offering that you will discover the answers you need to make an informed decision. A key section later on in this document covers integration of a CMS with your existing office procedures and systems. This is the place where you must evaluate the specific functions of an offered CMS against “how we do things here.”

Before moving on, you will need a clear “measuring stick” you can use to evaluate each vendor’s options. Having a clear vision of what you need will help you sort through the various CMS options. The next section may assist you in determining those needs.

## **5 Determining Your Needs**

The needs listed below can be a basis for a CMS solution evaluation. They are not fully inclusive but rather intended as a thought-starter.

You should make your own list of needs against which you can evaluate the offerings of the CMS vendors. A simple Needs Evaluation Template appears as Section 10 later in this document; you may find it useful to tailor it to your own situation.

### **5.1 Suggested Criteria for determining your needs**

#### **5.1.1 Furthers our values and objectives**

Does the CMS under consideration meet this need?

This is an evaluation you will make **AFTER** considering all the other relevant factors. After all, you should expect some *improvement* in your capabilities as the result of this effort.

Do not be discouraged if the initial offerings of vendors don’t meet this or any other need; vendors will be willing to discuss any concerns you have and may prove flexible to the extent that they meet those concerns in order to secure your business.

#### **5.1.2 Fully protects the rights and privacy of clients**

Your agency serves the vulnerable. Their rights must be upheld, not eroded by new systems or procedures.

Location of Client Files has been mentioned twice already in this document. As this is such a key issue, it is dealt with at length here.

There are reasons for remote (i.e. managed) file locations being a feature of several CMS offerings; however, the bottom line on this is that no amount of improved efficiency or lowered cost outweighs client's rights.

The key issue relevant to privacy is ....

### CONTROLLING ACCESS TO CLIENT FILES

Think about it: Are your offices fully secure, both physically and electronically? What if someone broke in and took your files? What if someone hacked into the "electronic back door" of one of your Internet-connected computers and transferred your client files somewhere else?

No doubt, you have already put in place precautions against these things happening.

Vendors of CMS' have also thought very hard about these risks. Some vendors may have arrangements in place that exceed your requirements, even though the data is stored remotely. You should question your prospective vendor carefully and in detail, until you are satisfied you understand what is being offered.

Alternatively, you may be able to negotiate/specify access arrangements that meet this need.

If you are willing to discuss off-site storage (remote location) of your client files, here are a few questions you should ask, and some of the right answers:

- ✿ Will I have SOLE control of the software that provides access (Username/Password assignment) to my un-encrypted files?
  - ✿ The answer should be "Yes", you will perform username and password assignments at your location, not by asking someone in their organisation to do it for you. Check this with the vendor.
- ✿ Will my files be *encrypted*? (Encryption is a fancy word for "in code, so no one else can see it unless they are authorised.")
  - ✿ The answer should be: "Yes. We encrypt the files and we encrypt the interactions between your computers and the files, while that data is transmitted across the Internet."
- ✿ Who from the vendor's organisation or sub-contractors (computer operators, database administrators, network engineers, security staff etc) will have access to my files in their un-encrypted form as part of their duties?

- ✿ It is an unavoidable part of modern IT that some technicians have legitimate access to files for various reasons: backups, performance improvement etc. They don't however usually need to read the *contents* of the files.
- ✿ The key part of the question is: is there any way these technicians can un-encrypt your files and read the stored data?
  - ✿ The right answer is "No one other than your authorised users can access the files in any readable form."
- ✿ What guarantees do you provide against authorised staff *misusing* our files?
  - ✿ You will need to determine through discussion whether those guarantees are sufficient.

### 5.1.3 More Convenient / Easy to use than current

A new system should bring measurable benefits over the old ways of doing things. This should include easier ways to put information into the system than your present methods, and more meaningful retrieval of information for direct service and/or reporting.

Note however, that there will be new ways of doing things: new screens, new codes perhaps, outmoded forms will be retired, etc.

See Section 7.1 "Process Mapping & Re-Design" for a way to determine how this need will be met by the particular CMS under consideration, in the context of planning for a particular solution's implementation.

### 5.1.4 Easy conversion / minimum disruption

When new systems replace old, it is necessary to take the information from your old files and put it into the new files provided by the CMS solution. This process is called conversion, and is usually done only once, during implementation of the new solution.

Vendors will have tools and conversion aids; possibly even full conversion plans to assist you in converting your old data. Note however, that you will be using those tools and doing the conversion *checking* to see that all information has come across from the old system correctly. No matter how a specific CMS solution offers to support your conversion effort, that effort is going to require a considerable amount of your time.

You should also consider how time taken for conversion, or files removed from the office for keying, scanning or other conversion, could disrupt your front-line service delivery. Will you be able to remain open during conversion? How long will you be out of action until the new system is ready for use?

Section 7.4 later in this document provides more detailed questions you should consider, to evaluate the degree of conversion ease / service disruption likely from a particular CMS.

### **5.1.5 Financially viable**

A new CMS should not break your bank.

At the end of this document (Section 11), you will find a “*Cost of Ownership Template*” that you can use to record the initial and on-going costs of a particular solution.

### **5.1.6 Returns value to person using it**

Your front-line staff should realise significant benefit from a new CMS. Their view of the solution’s value and their willingness to use it are critical success factors for the system.

By following the guide in Section 7.1 “Process Mapping & Redesign” later on in this document, your staff should be able to tell you whether this need is likely to be met by the CMS being evaluated.

### **5.1.7 Improves service delivery**

Your clients should experience improved service from you as the result of implementing your new CMS. Again, by following the guide in Section 7.1 “Process Mapping & Redesign”, you and your staff should be able to assess whether this need is likely to be met by the CMS being evaluated.

### **5.1.8 Reduces administration & duplication**

The NSW government has already vetted the vendors you will be considering as meeting their (the government’s) technical requirements.

You must determine for yourself what effect the particular CMS under consideration will have on your administrative overheads.

Again, by following the guide in Section 7.1 “Process Mapping & Redesign” later on, you and your staff should be able to assess whether this need is likely to be met by the CMS being evaluated.

Now that you have thought about your needs, let’s look next at, not the CMS solution, but the vendors who are trying to meet those needs for you.

## 6 What about CMS vendors?

You are going to have a relationship with the vendor of your chosen solution: during planning, negotiation, training, conversion, problem support and operation (if you choose a managed facility). You need to be satisfied that the vendor standing behind the solution being considered is a viable long-term supplier / partner.

This important and potentially on-going relationship can directly affect your ability to deliver service. It is a good idea to do some background checking of your own on each prospective partner while considering the technical merits of their offered CMS solution.

The NSW Government has already qualified the “certified” vendors against their, but *not* your, requirements.

Here are some questions you might ask:

- What local presence does the vendor have? How many support staff? Where are they?
- How many reference sites can you access to discuss the vendors product and services? Has the vendor got established customers that you can visit or at least call?
- How long has the vendor been in business?
- Are they local? Or a branch of an overseas supplier?
- Can you see their books? (Annual Report, Financial Statements)

## 7 How are CMS's (Ideally) Installed?

Now let's look at some of the many non-financial factors you should consider before completing some parts of the Evaluation Template (Figure 1) or making a commitment to a specific solution. Each factor is concerned with knowing, in advance, how you will move to and then use your new system. Financial matters are discussed separately in a following section.

### 7.1 Process Mapping & Redesign

(How you do things will change...)

You have (among others, no doubt) ways to:

- Identify service recipients
- Assess needs
- Provide assistance and
- Acquit funding

At a primary level, the ways in which you record these activities will change as the result of the new CMS.

- What changes will occur to your office routines?
- Will any key data be lost? New paper forms required?
- What assistance, if any, will your vendor provide to address your specific process redesign needs?

Learning in advance about how things will change, and what you and your staff will be doing differently is called “Process Mapping & Redesign”.

“Process” is simply the name for the end-to-end steps you take to accept, service, monitor and acquit your relationships with your clients and funding sources.

There will be multiple processes at your work place. There will be human and computer components to each of these processes.

“Mapping,” means writing down in graphic form exactly how you perform each process so it can be analysed. The technical skills required to produce a “process map” are quite specialised, and possibly beyond your own core skill set. It would be useful to ask your vendor whether he offers any assistance in integrating your office procedures with his solution, although this may come at additional cost.

“Redesign,” means planning for how your processes will change, for example, ordering new stationery if necessary, creating new procedure manuals, etc.

As you can see, process mapping & redesign can get quite detailed, and may be beyond your capability or interest.

As to capability, you will find below a suggested method for you to do your own process evaluations without having specialised skills.

As to interest, you should be aware that this area is the one most likely to cause an unsuccessful outcome for the new system if not handled correctly.

Here is a simple method to rate the utility of CMS’ you are considering:

1. Gather up the forms and computer systems input and output screens that you currently use so you can do a “mock” run-through of each of your internal record-keeping systems, from initial client contact through to discharge and reporting.
2. Give your vendor 2-3 hours to demonstrate their CMS at your location, running through with you and your key staff each of the normal things you do, using the material you gathered in step 1,

3. Carefully make written notes of the changes you will have to make to take on the proposed CMS,
4. Later, after the vendor has gone, list and discuss each change, rate it on a Scale of “1” = “Major disruption, hard to see how it integrates”, to “10” = “Wow! That’s going to make things a lot easier around here!”
5. Add up your scores for each vendor’s CMS.

If your vendor is happy to provide you with a “free trial” of their software, you should still treat the process as a formal one. Don’t just let the free trial sit there unused. Your active participation is necessary for ultimate success.

This is not a scientific approach: scores for different vendors will differ based upon how many notes you make for each, and are therefore not comparable across different vendors.

However, the process will provide staff a chance to view, discuss and rate the suitability of a particular CMS for your organisation. In a small organisation, a consensus will likely emerge.

You can then use that consensus to inform your evaluation of several of your Needs (See Section 10):

- More Convenient / Easy to use than current?
- Easy conversion / minimum disruption?
- Returns value to person using it?
- Improves Service Delivery?
- Reduces Administration & Bureaucratic Duplication?

## **7.2 Hardware, Software & Telecommunications**

Here are some questions about your equipment. Your vendor should be happy to assist with the answers to all of them.

Do all of your computers and communications lines meet the vendor’s recommended (as opposed to minimum) specifications? Some software will run very poorly on a minimum configuration (technical stuff: processor speed, amount of memory and disk space required).

What will it cost to provide upgrades if necessary? Your vendor may not supply what you need, but once you have the list, you can do your own shopping around.

Do you have or need to implement a local area network (LAN) throughout your office? A LAN connects the computers within an office so they can share printers and files and communications lines. Do you already have one? If not and you need one, what will it cost? Here you may have to obtain your own costs from network vendors, not from the CMS Vendor.

Are there other bits of software you will need to acquire, to provide a safe operating environment for your new system? For instance, you might need to

upgrade your Internet firewall by installing Norton's Internet Security or a similar security package. Again, your CMS vendor will advise what is needed, it will be up to you to locate, buy and install any necessary additional software.

Do you have enough computers, printers & consumables (ink cartridges, print heads, paper etc). Do all your staff that will need one, have a computer they can use? Do you have enough printers of the appropriate type (able to handle special forms for instance, or non-standard size paper)? How much should you budget for consumables?

Section 11 "Cost of Ownership Template" at the end of this document provides room for you to record the answers to the above questions.

### 7.3 Training

What training does the vendor provide? Is it hands-on as part of their overall Conversion Services?

Is there classroom training? How much? How long will staff need to take from normal duties to receive training?

Is training delivered via computer tutorial, i.e. self-learning?

Does the proposed CMS provide on-line Help? These might be pop-up windows with explanations of particular functions.

Are there additional costs for training? How much?

Section 11 "Cost of Ownership Template" at the end of this document provides room for you to record the answers to the above questions.

### 7.4 Conversion

We have already discussed what conversion is. Here are some questions that, with one exception, are for you to answer.

What manual / computer systems currently record your client information?

- ✿ Web?
- ✿ Purchased software?
- ✿ Bespoke solutions using MS-Excel, MS-Access or similar?
- ✿ Paper files?
- ✿ Mixture of computer and paper?

How much data do you wish to convert?

Some vendors offer (at additional charge) a document scanning facility that means you only have to create a record with minimal data in it to start with, and then use the new system to refer to the old paper records from the scanned documents. As time passes, your use of the new system will naturally age the older material.

What assistance, if any, does the Vendor provide to convert your data to her system? What are her rates for these services? What is it likely to cost in total?

How much effort will you have to devote to checking converted data, or converting it yourselves?

How long will your systems be unavailable for normal work?

This is not the end of the road for conversion; you have only now answered the basic questions.

Once you have selected and committed to a solution, then you must carefully plan for the conversion work to be done. That exercise is beyond the scope of this document as it is likely to be organisation-specific.

## 7.5 Operation

What are the operating requirements of the proposed system that YOU will have to support?

- ✿ Are the computers and communications lines “always on”?
- ✿ Does that have implications for additional environmental costs (heat, light)?
- ✿ Are there special access and data security procedures you will have to follow?
- ✿ Are there any end-of-day file transfers or regular backups to be performed by staff?
- ✿ Are there cost implications in the answers to these questions?

## 7.6 Post-Installation Process Adjustment

If you haven't done Process Mapping / Redesign before installation, you will be doing it afterwards in an *ad hoc* fashion...and it won't be pleasant!

- ✿ Confusion / Frustration
- ✿ Solutions “on the fly”
- ✿ Long Hours / Staff Burn-out
- ✿ Service degradation during turmoil.

You will inevitably go through this step in any case. There are always things that were overlooked in the planning stages.

The degree of discomfort to your clients and staff occasioned by these disruptions will be directly proportional to the quality of your pre-planning in this area.

## 8 What is Installation Completion?

Let's look at different views of "when we are finished".

From the vendor's point of view, implementation is complete when:

- ✿ Software is installed and working,
- ✿ Conversion is completed to agreed levels of quantity and quality, and
- ✿ Training (if any) has been delivered

Compare this to YOUR point of view:

- ✿ Software installed and software working,
- ✿ Conversion is completed to agreed levels of quantity and quality,
- ✿ Training (if any) has been delivered,
- ✿ All Processes are redesigned and working satisfactorily,
- ✿ Staff are knowledgeable, confident, motivated and enthusiastic about new system, and
- ✿ Even though there may be some problems remaining, the general staff view is that the new system is a success.

Note: the vendor's role is necessary but not sufficient for a successful installation. You bear primary responsibility for the success of the effort.

That concludes our discussion of non-financial factors you should consider when evaluating a prospective CMS Vendor.

## 9 What about pricing & funding?

As you have seen from the above discussion, there are potentially many more items of cost than simple licensing of a CMS. What you need to do is determine your Cost of Ownership Over Time (First Year, Subsequent Years, 3 and 5 years) in these categories:

- ✿ Capital Expense:
  - ✿ computers,
  - ✿ communications equipment
- ✿ Installation Expense:
  - ✿ Process Redesign
  - ✿ Training (included? Or extra cost?)
  - ✿ Conversion (Provided? Outside keying? Staff involvement time?)
- ✿ Operating Expense:
  - ✿ Software licences:
    - ✿ CMS
    - ✿ Security
    - ✿ Communications lines
    - ✿ Annual Support
    - ✿ Consumables
    - ✿ Others?

What offsets (funding, subsidies) are available to defray the cost of ownership?

Section 11 at the end of this document comprises a suggested Template for you to use to calculate total cost of ownership.

Note that some vendors offer several pricing plans. You should complete one cost of ownership template for *each* of those plans.

# 10 Table 1: Needs Evaluation Template

Vendor: \_\_\_\_\_ CMS: \_\_\_\_\_ Date \_\_\_\_\_

Need	Met?	Not Met?	Comment
<b>FURTHERS OUR VALUES AND OBJECTIVES</b>			Final judgement after all other factors have been considered.
<b>CLIENT NEEDS AND PRIVACY ARE CENTRAL</b>			
Will I have SOLE control of Username/Password assignment?			
Will my files and transactions be <i>encrypted</i> ?			
Who, other than our staff, will have access to our files in their un-encrypted form as part of their duties?			
What guarantees do you provide against your <b>Authorised</b> staff <b>misusing</b> our files?			
<b>MORE CONVENIENT / EASY TO USE THAN CURRENT</b>			Subjective decision after "Process Mapping".
<b>EASY CONVERSION / MINIMUM DISRUPTION</b>			
Staff time required to convert files?			Include packaging, keying, scanning, security for files in transit, final checking
"Down time" – for how long will the service be shut during conversion?			
Financially viable			Use the "Cost of Ownership" Template to obtain these numbers.
First Year Cost?			
Subsequent Year Cost?			
3-Year Total Cost?			
5-Year Total Cost?			
Returns value to person using it			
Improves Service Delivery			
Reduces Administration & Bureaucratic Duplication			
Add Other Needs of your own			

## 11 Table 2: CMS Cost of Ownership Template

Item			Year 1	Each Subsequent Year	Comment
<b>CMS Package Licensing &amp; Support</b>					
Initial Organisation-level License Fee (if any)			\$	No entries required in shaded areas.	
Initial Per User Licence Fee	\$	X # Concurrent Users <sup>1</sup> =	\$		
On-going organisation license fee				\$	
On-going per user license fee	\$	X # Concurrent Users =		\$	
Annual Support Fee per Organisation				\$	
Annual Support Fee per User	\$	X # Concurrent Users =		\$	
Is Support Fee payable in first year? If yes, enter here the sum of the fees in the preceding two rows.			\$		
<b>Process Change Costs</b>					
Estimated cost of new stationery, computer consumables etc, for first and subsequent years.			\$	\$	
Vendor charges to assist with process change?			\$		
<b>Hardware, Software &amp; Telecommunications</b>					
Cost of Hardware Upgrades, new computers, if any.			\$		
Local Area Network Set-up required? Cost?			\$		
Additional Security Software? Initial and On going license fees.			\$	\$	
Do you need additional telecommunications lines? Put equipment and first year line costs in "Year 1", subsequent annual on going line costs in "Each Subsequent Year".			\$	\$	
<b>Training</b>					
Are there additional costs for initial training?			\$		

<sup>1</sup> Concurrent Users means "How many staff will be using the system at any one time?" You might have three staff that shares one computer; therefore, you have only one concurrent user.

Item	Year 1	Each Subsequent Year	Comment
Will there be a need for annual re-training or for new staff?		\$	
<b>Conversion Services</b>			
If Vendor conversion services are at extra cost, what is the estimate for your situation?	\$		
<b>Operational Costs</b>			
Do you anticipate increases in power or light bills? Estimate the annual cost.	\$	\$	
<b>Other Costs</b>			
What other costs do you need to include (if any)?	\$	\$	
<b>Now, ADD up the values in "Year 1" and "Each Subsequent Year"</b>	\$	\$	
Subtract the value of any anticipated grants or subsidies ("Year 1" if a once-off, both "Year 1" and "Each Subsequent Year" if on going.)	\$	\$	
<b>You now have your cost of ownership for Year 1 and Each Subsequent Year</b>	\$	\$	

Your 3-year cost of ownership is the total of "Year 1" cost, plus 2 times the "Each Subsequent Year" cost, for a total of 3 years of cost.

For a 5-year cost of ownership just multiply the "Each Subsequent Year" cost by 4 and add the result to the "Year 1" cost.

You can then transfer these values to Section 10, your Evaluation Template.